(vii) Government has allowed 100% Foreign Direct Investment in the textile sector under automatic route.

(viii) Government has de-reserved the readymade garments, hosiery and knitwear from SSI sector so that large scale investments may be encouraged in these sectors.

(ix) National Institute of Fashion Technology (NIFT) has been set up to provide the leadership role in sensitizing the Industry to the concept of value addition by inducting trained professionals to manage the industry. This has resulted in an increased demand for trained professionals in various sectors servicing the industry.

(x) In order to promote the Technical textiles, Government has approved a Scheme, which aims at baseline survey of technical textiles units and for setting up of four Centres of Excellence, one each for Agrotech, Buildtech, Meditech and Geotech with the total outlay of Rs.48 crore for 11th Plan period.

(xi) With a view to making textile industry more competitive, mport duty on raw materials such as DMT, PTA and MEG has been reduced from 7.5% to 5% in November 2007 and import duty on PSF, PFY and Polyester chips from 7.5% to 5% in November 2007. The import duty on all man-made fibres / filament yarns/spun yarns excluding that of Nylon has been reduced from 10% to 5% and that of Paraxylene from 2% to 0% in November 2007. In the Budget 2008-09, the peak rate of CENVAT of all goods (including textile machineries) reduced from 16% to 14%. The three major advalorem rates of CENVAT-14%, 12% and 8% applicable to non-petroleum products have been reduced by 4% each, i.e., to 10%, 8% and 4% respectively and CENVAT on cotton textiles and textile articles has been reduced from 4% to Nil as a measure to stimulate the economy in the context of global economic recession by Government of India on 7th December 2008. In the Interim Budget 2009-10, the peak rate of CENVAT of all goods (including textile machineries) reduced from 10% to 8% and Service tax rate reduced from 12% to 10%. The optional duty scheme for non cotton textiles other than man made fiber and filament yarns continues. The concessional import duty of 5% on 387 machinery of List 30, 31, 32, 45 and 46 continues to be at 5% and import duty on other textile machinery continuous to be at 7.5 %. Central Sales Tax reduced from 3% to 2%.

(xii) National Textile Policy 2000 aimed at developing a strong and vibrant textile industry that can attain and sustain a pre-eminent global standing in the manufacture and export of clothing in the globalized scenario.

(xiii) In order to strengthen the small scale powerloom sector, schemes such powerloom cluster development scheme, upgradation of textile testing laboratories & weaver service centers, modernization of powerloom service centers etc. have been taken up by the government.

Sick and closed textile units

2873. SHRI NAND KISHORE YADAV:
SHRI KAMAL AKHTAR:
Will the Minister of TEXTILES be pleased to state:

(a) the number and details of the sick and closed textile units during the last three years, year-wise and State-wise;

(b) whether Union Ministry of Textiles has taken any step to revive those closed units; and

(c) if so, the details thereof, State-wise and unit-wise?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRIMATI PANABAKA LAKSHMI): (a) The state wise details of sick and closed textile units during the last three years is given in the Statement (see below).

(b) and (c) Government seeks to foster a policy regime, which facilitates growth and development of Indian industry. It has taken a number of steps to revive sick industrial units which, inler-alia, include, guidelines of ihe Reserve Bank of India (RBI) to banks, amalgamation of sick units with healthy units, setting up of Board for Industrial and Financial Reconstruction (BIFR:) under the Sick Industrial Companies (Social Provisions) Act. etc. For restructuring of high cost debts of textiles units, in the organized sector. Ministry of Finance, Banking Division, in September 2003 introduced a Debt Restructuring Package to help textiles units overcome their unsustainable debt burden.

Statement

List of Government and private sick mills (State-wise)

S. No.	State	Private mills	NTC mills
1	2	3	4
1	Andhra Pradesh	53	6
2	Assam	5	1
3	Bihar	2	2
4	Chandigarh	1	-
5	Dadra Nagar Haveli	5	-
6	Daman & Diu	1	-
7	Delhi	46	-
8	Goa	1	-
9	Gujarat	122	11
10	Haryana	26	-
11	Himachal Pradesh	1	-
12	Jharkhand	1	-
13	Karnataka	43	4
14	Kerala	14	5
15	Madhya Pradesh	31	6
16	Maharashtra	167	35
17	Orissa	6	1
18	Pondicherry	1	1
19	Punjab	38	4
20	Rajasthan	45	4

1	2	3	4
21	Tamil Nadu	176	13
22	Uttar Pradesh	40	11
23	Uttranchal	5	-
24	West Bengal	38	12
25	Chhattisgarh	-	1
	TOTAL	868*	117

*Out of 868 textile cases, 62 textile cases have been declared no longer sick by BIFR and 21 textile cases have been dropped as networth become positive. In respect of 64 textile cases, schemes/draft scheme have been prepared/sanctioned.

Impact of economical slowdown on textile industry

2874. SHRI RAMDAS AGARWAL: Will the Minister of TEXTILES be pleased to state:

(a) whether Government has conducted any study to assess the impact of global slowdown on Indian textile and clothing industry;

(b) if so, the details thereof;

(c) the quantum of exports declined as a result of global slowdown during the last year and the steps taken by Government to boost the textile and clothing industry; and

(d) the details of further measures initiated by Government to improve textile exports and competitiveness of Indian textile industry?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRIMATI PANABAKA LAKSHMI): (a) and (b) No, Sir. The Government has not conducted any study to assess the impact of global slowdown on Indian textile and clothing industry. However, the Confederation of Indian Textile Industry and other Textile Export Promotion Councils have conducted a study on "Impact of Economic slowdown on Indian Textile and Clothing Industry". The study showed decline in textile production and textile exports, decline in textile imports by India's major trade partners and deterioration in the financial performance of textile and clothing companies during 2008-09.

(c) As per data published by the Directorate General of Commercial Intelligence and Statistics, Kolkata, India's textiles exports have declined to US $ 18.52 billion during April-February' 2008-09 from US $ 19.55 billion (5.31 per cent) as compared to the corresponding period of the previous financial year.

To strengthen and boost the export-intensive industries, the Government announced two stimulus packages, one on 7th December, 2008 and the other on 2nd January, 2009. These packages contained several measures which were beneficial to textile exporters.

(d) The Union Budget 2009-10 also contained several measures to boost the textile industry and textile exports. The important measures announced in the Budget are the following: